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THE AGRICULTURAL SITUATION

A Brief Summary of Economic Conditions

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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SPRING PROGRAM INDICATES FURTHER RETRENCHMENT

The crop program this spring, as evidenced by reports from 41,000 farmers in all parts of the country, apparently means smaller acreages of grains and potatoes than last year and increases in tobacco and hay. The net prospect is for 9,000,000 acres (3 per cent) less crops. The most important decreases in crop acreage indicated by these reports include 3.5 per cent in corn, which represents a reduction of nearly 4,000,000 acres, and decreases of 3 per cent in spring wheat and oats, 13 per cent in sweetpotatoes, and 5.4 per cent in potatoes. The main increase is 22 per cent indicated in tobacco acreage.

The eastern and central Corn Belt apparently is planning to shift about 2,000,000 acres out of crops into pasture. In much of the central and northern Great Plains area and in portions of the Pacific Coast States there has already been a heavy loss of winter wheat seedings and present planting and price conditions are not favorable, so that the acreage of crops harvested in these States this year is expected to show a reduction of some 4,000,000 acres. In the South it is indicated that the territory west of the Mississippi is planning a decrease of something like 2,000,000 acres in food and feed crops, although this does not mean necessarily that much reduction in total crop acreage.

The livestock industries are struggling with varying phases of the price depression. Hog prices have improved slightly but are still lower than a year ago. Lamb prices likewise have moved up slightly and the sheep industry appears to be heading toward lessened production, which should tend to strengthen its price position.

Milk production per cow was abnormally low last month. Milk is so cheap that many dairymen are letting the calves do part of the milking. Since January 1 there has been a striking decrease in milk receipts at the large cities—New York, for example, has been receiving about 17 per cent less milk than a year ago.

Eggs during the last two months have brought producers about a cent apiece, on the average. In consequence, farmers have sold off their hens until flocks are now down to about the same size as a year ago and the probability is that egg production during the next three heavy-laying months will be about the same as last year.

Prices of farm products in general are still at about half the pre-war level. As farmers plan their program of production this spring, it appears that the outstanding tendency is toward further retrenchment.

PLANTING INTENTIONS

Corn.—March intentions indicate 103,934,000 acres of corn for harvest in 1933 compared with 107,729,000 acres harvested in 1932, a decrease of 3.5 per cent. In general, the greatest decreases are reported from the important producing States. Decreases of from 6 to 8 per cent are indicated for Indiana, Illinois, Iowa, and Missouri, where corn is an important cash crop. Most of the other Corn Belt States show small decreases. In the South Central States a decrease of 4.3 per cent is indicated. In most other areas changes are expected to be small.

The large corn crop in 1932, which will probably result in a heavy carry-over in surplus-producing States, and some shifts to hay crops account in large measure for the intended reduction in the Corn Belt. In the deficient corn States farmers apparently intend to maintain about their usual acreage and, in some of the outlying areas, to plant more than they did in 1932, in order to reduce the necessary cash outlay for feed supplies.

Wheat.—An increase of about 2 per cent in the acreage of spring wheat other than durum to be harvested in 1933 as compared with the acreage harvested in 1932 is indicated by reports from farmers. Indicated acreage for harvest this year is 18,003,000 acres. Important changes from last year are: A decrease of 15 per cent in Montana and an increase of over 50 per cent in the Pacific Northwest. In the latter area, the increase is to replace acreage of winter wheat lost from winter-killing, with a slight decrease in total wheat acreage indicated. Marked decreases in durum wheat acreage is indicated in each of the important durum-producing States. The 1933 acreage of durum wheat for the United States is indicated at 2,983,000 acres, a decrease of about 23 per cent from the acreage harvested in 1932.

The December report of the Crop Board indicated a probable abandonment of winter wheat in excess of 20 per cent. This is confirmed by the reports just received and accounts for intention to plant more grain sorghums and certain other crops in the Great Plains States from Nebraska south.

Present information indicates that the acreage of all wheat for harvest this year will be from 5 to 10 per cent below the acreage harvested last year.

Oats.—The oats harvest this year will approximate 40,000,000 acres, if present plans are carried out. This would be 3 per cent less than the acreage harvested last year, but slightly above the acreage harvested in 1931. A slight decrease in acreage is indicated in the important oats-producing area of the North Central States, where large supplies of the 1932 crop are still on farms. A decrease of about 20 per cent is indicated in the Southern States, due partly to the unfavorable season for fall-sown oats and partly to a decrease in spring sowings. A slight increase is reported in the Northeastern States and a more substantial increase in the Western States.

Tame hay.—The reported plans of farmers show that the tame-hay acreage may be increased slightly, possibly 1 per cent, to provide for the increased number of cattle on farms. Increased hay requirements appear to explain part of the decrease planned in the corn acreage of Iowa and some other States in the western half of the Corn

Belt. In the South, east of Texas, some slight decrease in the hay acreage seems probable. Elsewhere such changes in the hay acreage as are now planned are mostly too small to be significant this early in the season.

Potatoes.—The acreage of potatoes for harvest in 1933 will be about 5.4 per cent smaller than the 3,368,000 acres harvested in 1932, if the reported intentions of growers on March 1 materialize to the same degree that they have in the past, and barring unusual losses of plantings. The present plans indicate a somewhat greater reduction in acreage than was shown by the reports of growers on January 1. If the March 1 indications are borne out, the harvest acreage in 1933 will be close to 3,185,000 acres. The reported plans indicate a decrease of 2 per cent for the early States and 4 per cent for the intermediate States or about the same as reported in January for both groups. The decreases in these groups of States are expected to occur primarily in the commercial shipping acreage, while the acreage for home and local needs is apparently to be maintained or increased somewhat in most States. Among the late potato States, the growers' reports give evidence of largest decreases in commercial areas at greatest distance from market. The decrease indicated for the 18 surplus late States is 8 per cent. Plans for the group comprising 12 other late States indicate a probable increase of 4 per cent in the 1933 harvest acreage.

Sweetpotatoes.—The acreage of sweetpotatoes for harvest in 1933 seems likely to be about 806,000 acres, judging by the March reports of growers. This is 13 per cent less than the 926,000 acres harvested in 1932 but still 3 per cent larger than the harvested acreage of 1931. In general, the major decreases are expected to occur in those Southern States where acreage has been expanded greatly in the past two years.

Tobacco.—Farmers are now planning to increase the tobacco acreage by approximately 22 per cent from the 1,432,700 acres harvested in 1932 to 1,746,800 acres intended for harvest in 1933. The acreage harvested in 1931 was 2,015,500 acres. Intentions to increase acreage are especially pronounced in the burley and flue-cured tobacco districts. Sharp curtailment of acreage is planned in most of the cigar-leaf areas.

THE FRUIT AND VEGETABLE SITUATION

During the national banking holiday in early March, movement of fruits and vegetables was considerably restricted and prices showed some advance. With the resumption of a more normal financial situation, total shipments of these products again increased to 2,500 cars daily. The heaviest volume during late March consisted of potatoes, oranges, apples, celery, grapefruit, and lettuce.

A portion of the early March advance in prices was still being held, and at least two products—eastern sweetpotatoes and western lettuce—were bringing higher prices than a year ago. However, the general level for most fruits and vegetables was considerably below that of 1932. Cabbage was realizing only one-fourth to one-half the prices of last season at this time, and onions from storage were selling at about one-sixth as much as they did during the spring of 1932.

APPLE SUPPLIES DECREASING; STRAWBERRIES ACTIVE

Apples were moving rapidly to market. Commercial cold-storage houses in the United States reported on hand March 1 about 618,000 barrels, 7,168,000 boxes, and 5,237,000 bushel baskets. Total stocks under refrigeration were equivalent to 4,753,000 barrels or 14,259,000 boxes. This is 12 per cent less than last season, but 3 per cent above the 5-year average. Supplies in barrels and boxes were nearly one-fifth lighter than last season, but bushel baskets were just about equal to the 1932 holdings.

Shipments during late March were down to about 175 cars daily and were lighter than last year. Prices strengthened considerably at important shipping points. Bushel baskets in western New York ranged mostly 80 cents to \$1.10 for best 2½-inch medium stock, and barrels of Rhode Island Greenings returned about \$2. The Pacific Northwest quoted extra fancy medium to large Winesaps stronger at 80 to 90 cents, while Delicious jumped to \$1.10 to \$1.25 per box. Terminal market prices held firmly.

Citrus fruit movement was maintaining a fairly steady volume, the total output of oranges and grapefruit together averaging nearly 400 cars per day. Prices of these fruits in city markets showed little change. Lemon shipments from California had increased to about 30 cars daily, and jobbing prices of lemons had declined. Movement of grapefruit and lemons during March was considerably lighter than a year ago, and oranges showed some deficiency.

Strawberries were scheduled to move from Louisiana in car-lots during late March. Florida shipments continued to average about 20 cars per day. Supplies were much heavier than last spring, and growers around Plant City were receiving about half the price paid in 1932. However, returns to growers in Florida strengthened during the latter part of March from 8 to 12½ cents per pint. City dealers were getting 12 to 16 cents on pints and 15 to 25 cents on quarts. The 36-pint crates jobbed at \$4.50 to \$5.50 in several terminals, and dealers in Washington, D. C., received \$6 to \$6.40 on the 32-quart crates. Weather conditions recently were rather favorable for the Louisiana crop, and quality may be better than that of last year's berries. Production in five early States may reach nearly 3,000,000 crates of 24 quarts each, or 10 per cent more than last spring. Louisiana expects 1,560,000 crates; Florida reports a high total of 784,000; Alabama may have 330,000, and Mississippi 174,000 crates, while Texas is decreased to about 80,000.

Watermelon acreage in seven second-early States is being reduced this year to about 112,650 acres, or one-fifth below last year's plantings and one-sixth below the recent 5-year average. Heaviest reduction of 30 per cent is indicated for Georgia, and decreases in the other States range from 8 to 22 per cent. If it happens that production of this crop is reduced proportionately, the 1933 market situation for watermelons may show some improvement.

POTATO GROWERS CUTTING ACREAGE

Potato plantings in the United States this year, according to March reports, may be about 3,185,000 acres, or fully 5 per cent less than the harvested acreage of last year. The late States show a probable reduction of 6 per cent. Commercial acreage in the second group

of early States may be 18 per cent below that of last season. The four second-early States together show a probable reduction of 3 per cent; the first group of five intermediate States a prospective cut of 14 per cent below the acreage harvested in 1932, and the two other intermediate States report a 10 per cent reduction in commercial acreage.

During the national banking holiday, potato shipments dropped to about 600 cars daily but, with the adjustment of the financial situation and with higher prices being paid at shipping points, the total movement quickly increased to about 900 cars per day, mostly from Maine and the North Central States. F. o. b. prices reached a relatively high level in the East and North but later showed some decline in those areas. Prices in the West, however, were holding firmly. The general f. o. b. range about March 22 was 35 to 70 cents per 100 pounds sacked. The Chicago car-lot market at that time quoted Northern Round Whites at 73 to 78 cents, Minnesota Early Ohios at 80 to 85 cents, Colorado Red McClures at \$1.40, and Idaho Russet Burbanks at \$1.20 to \$1.25 per 100 pounds. Maine Green Mountains were jobbing in the East at 90 cents to \$1.25. Movement of new potatoes from Florida had reached a daily average of 25 cars but was still one-third lighter than a year ago. Shippers in the Hastings district were receiving \$3.50 per barrel of best Spaulding Rose, while 100-pound sacks brought \$1.90. Terminal markets reported Spaulding Rose potatoes jobbing at \$4 to \$5.35 per barrel and bushel crates at \$1.25 to \$1.65, with bushel of Bliss Triumphs at \$1.15 to \$2.

Sweetpotato shipments had decreased to about 25 cars per day, with nearly half the total coming from Tennessee. Prices on eastern stock held firmly. Bushel tubs of Jersey-type sweets from Maryland or Delaware ranged 65 cents to \$1.30 in city markets, with arrivals from New Jersey at \$1 to \$1.75. New York City reported Virginia stock selling at 65 to 90 cents per bushel, and Chicago dealers got \$1.40 to \$1.50 on receipts from Indiana. The bushel crates of Louisiana Puerto Ricans were jobbing generally at 60 cents to \$1.15, compared with baskets from North Carolina at 50 to 85 cents. Tennessee Nancy Halls had strengthened from 50 to 85 cents per bushel hamper.

Asparagus movement from California began somewhat later than last year and had reached only 20 cars per day by the 20th of March. No official report had yet been issued regarding probable production in California, but South Carolina and Georgia together were expected to have 466,000 crates, or 110,000 more than last spring. New York City reported jobbing sales of crates of 1-dozen bunches from California at \$4 to \$5.25 and those from South Carolina at \$3 to \$5 for the medium to large-sized stock. In general, prices were opening considerably below the level of last season.

Onion plantings in seven intermediate States may be reduced about one-sixth below last year's large figure and may total only 8,650 acres. Growers in the 17 late-shipping States may plant only 48,700 acres, a reduction of 14 per cent from last year. F. o. b. prices reached a rather high level during early March but later declined to 65 cents per 50-pound bag of yellows in western New York and 45 to 55 cents in western Michigan. Last report of the season from southeastern Colorado showed Valencia-type onions firm at 55 to 80

cents per 100-pound bag. The western slope of Colorado was still quoting Yellow Danvers at 25 to 28 cents per sack of 50 pounds. City jobbing prices had reached \$1 or more on the 50-pound bags, although some sales were made as low as 35 cents. Total shipments of onions were averaging less than 100 cars per day but were still fully twice as heavy as a year ago. Most shipments were coming from Michigan, Indiana, and Colorado.

Cabbage in southern Texas was considerably damaged by the February freeze, so that the crop forecast was reduced to 100,000 tons, compared with 114,500 last spring. The other early States expect about 81,000 tons, an increase of 38 per cent over last year's production. Acreage of cabbage in the second-early States may total 13,620 acres, or one-fourth more than last season. The 13 intermediate States may be reduced slightly to 21,280 acres. In the late States, there may be a 15 per cent reduction, making the expected 58,500 acres the lowest since 1925. Movement of old-crop cabbage from storage had decreased to about 30 cars per day, and f. o. b. prices in western New York strengthened to \$10 to \$11 bulk per ton, with sacked stock at \$12. Terminal prices also were higher on both old and new stock, some sales of Texas cabbage being made as high as \$55 per ton in St. Louis. With daily output of new stock still averaging only 75 cars, mostly from Florida and Texas, the f. o. b. market in lower Rio Grande Valley advanced very sharply to \$1.35 to \$1.60 per western lettuce crate or \$25 to \$30 bulk per ton.

PAUL FROEHЛИCH,
Division of Fruits and Vegetables.

SMALL PRODUCTION OF EGGS AND HEAVY MARKETING OF HENS

Heavy marketings of hens during February; reduction of birds in laying flocks down practically to last year's low level; and production of eggs per hundred hens, which on February 1 had topped the 9-year record, down on March 1 to well below the March 5-year average, are shown by the March 1 reports of our correspondents.

Present low prices for eggs afford little incentive to producers to strive for maximum egg production. However, the rate of laying per hen during the seasonal period of peak production just ahead, rarely varies more than 2 or 3 per cent from year to year.

With the number of layers practically the same as a year ago, production during the months of April, May, and June, which usually amounts to nearly 40 per cent of the year's total, is not likely to vary more than a few per cent either way from that of last year, when the total production of eggs was about 4½ per cent below the average production of the previous five years.

With United States farm prices for eggs reported on the 15th of February at only 11 cents per dozen, the lowest of record, disposal of hens during that month was heavier than in any of the past eight years, although almost equaled in 1931 when an extreme break in February prices down to the then unprecedented figure of 14.1 cents resulted in February marketings almost as heavy as this year. The average number of hens per flock decreased this year during February by over 5 per cent and the number of hens per flock remaining on

March 1 was only one-half of 1 per cent more than on that date last year. March 1 numbers of birds per flock this year are the smallest, with the exception of last year, since the beginning of the record in 1925, and are about 5 per cent less than the average March number for the five years 1927-1931.

The average of 27.7 eggs laid per farm flock on March 1 was the smallest production reported for that date in the 9-year record, and is about 18 per cent below the 5-year average for March 1. This low figure is the more remarkable because the number of eggs laid per flock on February 1 was the highest for that month in the record, and 29 per cent above the February 5-year average. The most extreme deviation between high and low production in succeeding months was seen in the North Central States, where the reported production per flock on February 1 was 45 per cent above, while on March 1 it was 24 per cent below the 5-year averages for the same months. These wide changes were due mainly to the exceptionally warm favorable weather of January, especially in the North Central States, followed by the sudden and extreme cold of the first half of February. The return of warm weather during the last half of February had not yet overcome this setback on March 1.

Receipts of dressed poultry at the New York, Chicago, Boston, and Philadelphia markets and of live poultry at New York and Chicago during February were about 10 per cent larger than the receipts in February last year. Receipts of live poultry during February at packing plants in the Central West were irregular, being very heavy at the first of the month, light through the middle of the month, heavy at the close, and light again during the first week of March. For the entire period from January 29 to March 4, receipts were about 20 per cent greater this year than for the corresponding period last year.

Receipts of eggs at the four markets during the first week of February were running about 40 per cent above those of last year, but by the close of the month had fallen to about 30 per cent less than for the corresponding week last year. The average receipts at the four markets during the entire month were about 6 per cent greater than in February, 1932.

While prices for eggs and chickens were at record low points in February, they were still relatively higher than feed prices. Compared with the average prices for February in the five years 1923-1927, chicken prices this February were 52 per cent less, egg prices 65 per cent less and the price of feed 71 per cent less.

S. A. JONES,
Division of Crop and Livestock Estimates.

THE DAIRY SITUATION

Prices of dairy products declined further in February and in some cases are below the low point of last June. Production of manufactured dairy products is relatively large but receipts of milk and cream at the principal markets are decidedly less than a year ago. Milk production per cow did not show the usual increase from February 1 to March 1.

MILK PRODUCTION ON MARCH 1 LESS THAN A YEAR EARLIER

Milk production per cow on March 1, as reported by crop correspondents, of 12.77 pounds was 5 per cent less than a year earlier and the second lowest for March 1 for the nine years for which such data are available. The number of cows on farms March 1 was about 2.7 per cent larger than a year earlier. These changes indicate that total milk production on March 1 was about 2 per cent less than on March 1, 1932.

Milk production per cow on March 1 was about the same as on February 1. In the 5-year period 1925 to 1929, milk production per cow on March 1 averaged 0.7 pounds more than on February 1. In the North Atlantic and East North Central and Western States milk production per cow on March 1 was lower than on February 1. The decrease in these two groups of States offset the more nearly normal increase in production in other sections of the country.

The percentage of cows milked on March 1, 66.4 per cent, was the same as on February 1. In 1930 and 1931 the percentage of cows milked on March 1 was slightly less than on February 1, but in each of the other years the percentage of cows milked increased during February. The fact that there was not the usual increase in percentage of cows milked is one of the reasons why there was not the usual increase production per cow in herd.

The lack of the usual seasonal increase in milk production per cow does not appear to have been due to any decrease in grain feeding. Grain fed per cow on March 1 was reported as 5.8 pounds; somewhat higher than on February 1 and somewhat higher than a year earlier.

COLD WEATHER IN MID-FEBRUARY

During the second week in February there was a cold wave in the important butter-producing States. For the week ending February 14 the temperature was 17° below normal or 23° colder than in the corresponding week of a year earlier. During the last two weeks in February temperatures were about normal and about the same as in the corresponding weeks of 1932. The cold wave in February may have been a factor in causing the relatively low milk production per cow on March 1.

MANUFACTURED PRODUCTION IN JANUARY LARGER THAN A YEAR EARLIER

Total production of manufactured dairy products in January was 4.5 per cent larger than in the same month of 1932. January was the first month since last September in which production was larger than in the corresponding month of the preceding year. Butter production in January was 2.3 per cent larger than a year earlier. Cheese production was 17 per cent larger than the low production of a year earlier, but was about the same as in January, 1930. Production of evaporated milk was 18 per cent larger than in January, 1932.

MARKET RECEIPTS OF MILK AND CREAM LESS THAN IN 1932

In contrast with the relatively heavy production of manufactured dairy products, receipts of milk and cream at the principal markets for the first two months of 1933 have been decidedly less than in 1932. This decrease in receipts probably reflects in large part the decrease in consumption in the cities because of widespread unemployment and the decrease in population because of the movement into rural sections. The decrease in receipts may also reflect an increase in producer distributors.

Percentage change in receipts of milk and cream at principal markets, 1932 to 1933

Market	Receipts of milk	Receipts of cream
	Per cent change, 1932 to 1933	Per cent change, 1932 to 1933
New York (Jan. 1 to Mar. 4)	-17.2	-20.9
Philadelphia (Jan. 1 to Mar. 4)	-6.8	-19.2
Boston (Jan. 1 to Mar. 4)	-14.4	-6.2

FARM PRICE OF BUTTERFAT LOWER; PRICE OF GRAIN UNCHANGED

The index number of farm prices of dairy products (adjusted for seasonal variation) declined from 65 in January to 60 in February. At 60 the index is 5 points lower than in June, 1932, the preceding low point.

The farm price of butterfat on February 15 of 15.8 cents was 3.1 cents less than a month earlier. From January 15 to March 15 there was little change in the farm prices of feed grains. On February 15 the price of butterfat in relation to feed grains was the lowest since last October, but relatively high when compared with other years. Even though the ratio of grain prices to butterfat prices is favorable for feeding, prices of dairy products are so low that the returns per hour in caring and feeding cows are very low.

E. E. VIAL,
Division of Statistical and Historical Research.

SUMMARY OF DAIRY STATISTICS

[Millions of pounds; 000,000 omitted]

PRODUCTION

Product	February			January to Februa- ry, inclusive		
	1933	1932	Per cent change	1933	1932	Per cent change
Creamery butter-----	116	122	-4.5	241	244	-1.1
Cheese-----	29	29	+2.1	61	56	+9.5
Condensed milk-----	13	17	-26.3	28	36	-22.6
Evaporated milk ¹ -----	105	101	+4.1	217	196	+10.7
Total milk equivalent-----	3,033	3,142	-3.5	6,279	6,250	+0.5

APPARENT CONSUMPTION

[Including production, changes in stocks, and net imports or exports]

Creamery butter-----	123	129	-5.0	251	255	-1.4
Cheese-----	41	42	-3.6	80	80	+0.3
Condensed milk-----	15	18	-17.2	33	37	-11.2
Evaporated milk-----	108	108	+0.6	210	203	+3.7
Total milk equivalent-----	3,289	3,447	-4.6	6,690	6,754	-1.0

¹ Case goods only.

T. R. PIRTLE,
Division of Dairy and Poultry Products.

AGRICULTURAL LOANS OUTSTANDING¹

[Millions of dollars]

Year and month	Farm mortgage loans by—				Federal intermediate credit bank loans		Crop production seed loans
	Federal land banks	Joint stock land banks	40 life-insurance companies	Member banks	To cooperative associations	To financing agencies	
1926-----	1,078	632	1,588	489	53	40	² 0.2
1927-----	1,156	667	1,618	478	32	44	-----
1928-----	1,194	605	1,606	444	36	45	-----
1929-----	1,197	585	1,591	388	26	50	² 6
1930-----	1,188	553	1,554	387	64	66	² 5
1931-----	1,163	530	1,512	359	45	75	² 47
1932							
January--	1,158	525	1,512	-----	43	75	-----
June-----	1,139	470	1,467	363	36	80	65
September-	1,129	454	1,443	368	19	83	57
December--	1,116	³ 409	1,402	356	10	83	47
1933							
January--	1,112	³ 404	1,394	-----	7	81	46
February--	1,110	³ 399	-----	-----	7	80	45

¹ See April, 1932, issue for sources.² Total.³ Omits \$53,000,000 owed 3 banks in receivership.

NATIONAL LAW PROVIDING FOR COMPOSITION AND EXTENSION OF AGRICULTURAL INDEBTEDNESS

The last session of the Seventy-second Congress enacted important legislation providing facilities whereby farmers may obtain a hearing of their indebtedness problems for the purpose of enabling them to carry on operations even though temporarily unable to meet debt obligations. The law (Pub. Doc. No. 420, 72d Cong.) is under jurisdiction of the Federal courts and is to remain in effect for five years.

This act provides in part that the Federal courts “* * *” are authorized, upon petition of at least 15 farmers within any county who certify that they intend to file petitions under this section, to appoint for such county one or more referees to be known as conciliation commissioners, or to designate for service in such county a conciliation commissioner previously appointed for an adjacent county. A conciliation commissioner shall have a term of office of one year and may be removed by the court if his services are no longer needed or for other cause “* * *.” “The term ‘farmer’ means any individual who is personally bona fide engaged primarily in farming operations.” (Sec. 75.)

A fee of \$10 is to be paid by the farmer upon filing of a petition. The conciliation commissioner is to receive as compensation for his services, including all expenses, a fee of \$10 for each case submitted

to him. The conciliation commissioner is required to give the farmer any requested assistance in preparing and filing a petition under the law, and the farmer is not required to be represented by an attorney. If a majority of creditors representing number and amount of indebtedness agree, the court may confirm the composition or extension.

DAVID L. WICKENS,
Division of Agricultural Finance.

FACTS BEARING UPON THE FARM DEBT PROBLEM

The farm-mortgage debt in the United States increased from about \$3,320,000,000 in 1910 to \$9,468,000,000 in 1928. Since 1928, this debt has shown a marked decrease. The amount outstanding in 1933 may be estimated at about \$8,500,000,000. Much of the recent decrease has been brought about by foreclosures and other forced sales. In addition to the mortgage debt, American farmers have outstanding personal or short-term debt of various kinds amounting perhaps to more than \$3,500,000,000. The total farm indebtedness of all kinds probably amounts to over \$12,000,000,000.

The farm-mortgage debt rests upon somewhat more than 40 per cent of the farms in the country. With the decrease in land values that has taken place, this debt now represents on the average not far from half the value of all the mortgaged farms. Such debt is, however, very unevenly distributed over the group of farms that are encumbered, varying from very moderate amounts to amounts that exceed the present value of the farms.

About 30 percent of the volume of outstanding farm mortgages is held by individuals, 23 percent by insurance companies, 19 percent by the Federal and joint-stock land banks, 11 percent by commercial banks, 10 percent by mortgage companies, and 7 percent by other firms or agencies.

With 1912-14 land values used as a base and represented by 100, farm values increased to a high point of 170 in 1920. These values have since shown a continuous and more recently an almost precipitous decrease. In March, 1930, farm values stood at 115 percent of 1912-14 values; in March, 1931, at 106 percent; and in March, 1932, at 89 percent. No later estimate is yet available.

The annual interest charges on outstanding farm mortgages rose from a pre-war figure of about \$250,000,000 to \$568,000,000 in 1925 and has since decreased somewhat. The estimate for 1931 was \$520,000,000 and the amount for 1932 probably fell somewhat below \$500,000,000. The recent drop in the volume of interest charges has not kept pace with the drop in the volume of debt since mortgages placed or renewed in the past three years have quite generally carried an increased rate of interest. The total annual interest bill of farmers on all classes of debt, including interest on mortgages covering farms held by nonfarmers, cannot be very closely estimated, but is believed to fall between \$800,000,000 and \$900,000,000.

The annual property taxes on all farm property, whether mortgaged or unmortgaged, reached about \$777,000,000 in 1929. Of this amount, about \$265,000,000 was estimated to fall on those whose farms are mortgaged. Since 1929, farm property taxes have been reduced by an amount approximating 20 percent.

Gross farm income from crops and livestock, which rose to nearly \$17,000,000,000 in 1919, showed a pronounced drop for 1920 and 1921. It then rose again somewhat and for the years 1923 to 1929 remained at between eleven and twelve billions per year. Since the latter year, it has shown a precipitous decline, falling to \$9,347,000,000 in 1930, to \$6,920,000,000 in 1931, and to about \$5,000,000,000 in 1932.

The farmer's ability to pay interest and taxes has naturally been reduced even more than his gross income, since a substantial part of such income must be used for direct operating costs and necessary living expenses. Many farmers, even among those who have no mortgage obligations, have found it difficult, or impossible, to meet their property taxes from their 1932 income.

During the 12-month periods ended March 1 of the years 1926 to 1932, inclusive, forced sales by reason of delinquent debt payments and taxes fell below 20 per 1,000 farms only once, namely for the year ended March 1, 1929, when the figure was 19.5. For the 12 months ended March 1, 1931, forced sales were 26.1, and for the 12 months ended March 1, 1932, such sales were 41.7 per 1,000 farms. Forced sales by reason of debt obligations were a little more than twice as numerous as such sales by reason of delinquent taxes. No comprehensive figures are at hand to show the additional number of farmers that could have been dispossessed if all creditors had chosen to exercise their legal rights. Since March 1, 1932, the situation has grown very much worse by reason of the further pronounced decline of prices for agricultural commodities.

Most of the various groups of credit agencies in the field of farm credit have been severely crippled along with their farmer borrowers. Commercial banks, and particularly those serving agricultural communities, have failed in startling numbers, and country bank deposits have been greatly reduced. The total number of bank failures since 1920 has reached about 11,000. Insurance companies have recently been pressed by heavy demands for policy loans and diminishing premium incomes, and many have become unable or disinclined to make new farm loans. The banks of the Federal Farm Loan System have been hard pressed, and the resources of many joint-stock land banks have been seriously impaired. The Federal land banks have been given Federal assistance to strengthen their financial position and grant needed extensions to borrowers. Other mortgage agencies, as well as individual lenders, have in most cases suffered heavy losses, and a discouragingly large percentage of the outstanding farm-mortgage loans of all groups of lenders are in arrears on interest and principal payments.

Remedial measures, and such measures are urgently needed, should be directed not only to temporary relief, but also to more permanent adjustment in debt burdens. The bases of a suggested program are: (1) Voluntary debt adjustment through the aid of an impartial third party and with recognition of the rights of both borrower and lender; (2) refinancing of farm mortgages at low rate of interest on terms consistent with the debt-carrying capacity of mortgaged farms; and (3) use of Government instrumentalities principally through the Federal land banks and the Reconstruction Finance Corporation as a basis for refinancing on favorable terms, with a minimum burden on the Federal Treasury.

(From a report submitted to Congress by this Bureau, March 27, 1933.)

PRICES OF FARM PRODUCTS

Estimates of average prices received by producers at local farm markets based on reports to the division of crop and livestock estimates of this bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

Product	5-year average, August, 1909— July, 1914	March average, 1910— 1914	March, 1932	Febru- ary, 1933	March, 1933
Cotton, per pound--cents--	12.4	12.4	6.2	5.5	6.1
Corn, per bushel--do--	64.2	61.3	32.2	19.4	20.6
Wheat, per bushel--do--	88.4	88.9	44.2	32.3	34.5
Hay, per ton----dollars--	11.87	12.06	8.69	5.91	5.89
Potatoes, per bushel--cents--	69.7	67.5	45.7	37.0	39.0
Oats, per bushel--do--	39.9	40.3	22.8	13.3	13.7
Beef cattle, per 100 pounds -----dollars--	5.20	5.29	4.25	3.31	3.42
Hogs, per 100 pounds--do--	7.24	7.41	3.90	2.94	3.22
Eggs, per dozen--cents--	21.5	19.6	10.4	11.0	10.1
Butter, per pound--do--	25.5	25.6	23.0	18.4	18.0
Butterfat, per pound--do--	26.3	27.1	19.5	15.8	15.1
Wool, per pound--do--	17.8	18.7	12.5	8.8	8.9
Veal calves, per 100 pounds -----dollars--	6.75	6.92	5.69	4.75	4.57
Lambs, per 100 pounds--do--	5.90	6.22	5.05	4.19	4.27
Horses-----do--	142.00	144.00	62.00	62.00	64.00

COLD-STORAGE SITUATION

[Mar. 1 holdings, shows nearest millions; i. e., 000,000 omitted]

Commodity	5-year average	Year ago	Month ago	Mar. 1, 1933
Apples, total-----barrels--	¹ 4,624	¹ 5,419	¹ 6,703	¹ 4,753
Frozen and preserved fruits--pounds--	58	82	70	63
40 per cent cream---40-quart cans--		¹ 55	¹ 123	¹ 82
Creamery butter-----pounds--	24	15	18	12
American cheese-----do--	49	47	54	47
Frozen eggs-----do--	49	68	46	40
Shell eggs-----cases--	¹ 165	¹ 258	¹ 75	¹ 162
Total poultry-----pounds--	103	96	105	89
Total beef-----do--	73	51	40	36
Total pork-----do--	856	812	575	610
Lard-----do--	115	93	53	59
Lamb and mutton, frozen-----do--	4	2	2	2
Total meats-----do--	1,017	939	664	694

¹ 3 ciphers omitted.

GENERAL TREND OF PRICES AND WAGES

[1910-1914=100]

Year and month	Wholesale prices of all com- modities ¹	Industrial wages ²	Prices paid by farmers for commodities used in—			Farm wages	Taxes ³
			Living	Produc- tion	Living- produc- tion		
1910-----	103	-----	98	98	98	97	-----
1911-----	95	-----	100	103	101	97	-----
1912-----	101	-----	101	98	100	101	-----
1913-----	102	-----	100	102	100	104	-----
1914-----	99	-----	102	99	101	101	100
1915-----	102	101	107	103	106	102	102
1916-----	125	114	125	121	123	112	104
1917-----	172	129	148	152	150	140	106
1918-----	192	160	180	176	178	176	118
1919-----	202	185	214	192	205	206	130
1920-----	225	222	227	175	206	239	155
1921-----	142	203	165	142	156	150	217
1922-----	141	197	160	140	152	146	232
1923-----	147	214	161	142	153	166	246
1924-----	143	218	162	143	154	166	249
1925-----	151	223	165	149	159	168	250
1926-----	146	229	164	144	156	171	253
1927-----	139	231	161	144	154	170	258
1928-----	141	232	162	146	156	169	263
1929-----	139	236	160	146	155	170	267
1930-----	126	226	151	140	146	152	266
1931-----	107	207	129	122	126	116	⁴ 250
1932-----	95	178	110	108	109	86	⁴ 215
February-----							
1921-----	153	211	-----	-----	-----	-----	-----
1922-----	136	190	-----	-----	-----	-----	-----
1923-----	151	204	-----	-----	-----	-----	-----
1924-----	146	218	-----	-----	-----	-----	-----
1925-----	152	220	-----	-----	-----	-----	-----
1926-----	149	225	-----	-----	-----	-----	-----
1927-----	140	231	-----	-----	-----	-----	-----
1928-----	140	230	-----	-----	-----	-----	-----
1929-----	139	236	-----	-----	-----	-----	-----
1930-----	133	231	-----	-----	-----	-----	-----
1931-----	112	215	-----	-----	-----	-----	-----
1932-----	97	189	-----	-----	-----	-----	-----
1932-----							
August-----	95	173	-----	-----	108	-----	-----
September-----	95	177	109	105	108	-----	-----
October-----	94	177	-----	-----	107	84	-----
November-----	93	171	-----	-----	106	-----	-----
December-----	91	170	105	104	106	-----	-----
1933-----							
January-----	89	164	-----	-----	105	74	-----
February-----	87	164	-----	-----	104	-----	-----

¹ Bureau of Labor Statistics. Index obtained by dividing the new series 1926=100, by its pre-war average, 1910-1914, 68.5.² Average weekly earnings, New York State factories. June, 1914=100.³ Index of estimate of total taxes paid on all farm property, 1914=100.⁴ Preliminary.

GENERAL TREND OF PRICES AND PURCHASING POWER

[On 5-year base, August, 1909-July, 1914=100]

Year and month	Index numbers of farm prices							Prices paid by farmers for commodities bought ¹	Ratio of prices received to prices paid
	Grains	Fruits and vegetables	Cotton and cotton-seed	Meat animals	Dairy products	Poultry products	All groups		
1910-----	104	91	113	103	100	104	103	98	106
1911-----	96	106	101	87	97	91	95	101	93
1912-----	106	110	87	95	103	101	99	100	99
1913-----	92	92	97	108	100	101	100	100	99
1914-----	103	100	85	112	100	105	102	101	101
1915-----	120	83	78	104	98	103	100	106	95
1916-----	126	123	119	120	102	116	117	123	95
1917-----	217	202	187	173	125	157	176	150	118
1918-----	226	162	245	202	152	185	200	178	112
1919-----	231	189	247	206	173	206	209	205	102
1920-----	231	249	248	173	188	222	205	206	99
1921-----	112	148	101	108	148	161	116	156	75
1922-----	105	152	156	113	134	139	124	152	81
1923-----	114	136	216	106	148	145	135	153	88
1924-----	129	124	211	109	134	147	134	154	87
1925-----	156	160	177	139	137	161	147	159	92
1926-----	129	189	122	146	136	156	136	156	87
1927-----	128	155	128	139	138	141	131	154	85
1928-----	130	146	152	150	140	150	139	156	90
1929-----	121	136	145	156	140	159	138	155	89
1930-----	100	158	102	134	123	126	117	146	80
1931-----	63	98	63	93	94	96	80	126	63
1932-----	44	71	46	63	70	80	57	109	53
March:									
1921-----	131	125	80	125	160	131	123	-----	-----
1922-----	111	181	131	118	133	118	123	-----	-----
1923-----	117	130	224	110	148	130	136	153	89
1924-----	114	123	219	104	146	109	131	154	85
1925-----	172	138	195	145	137	124	151	159	95
1926-----	133	220	133	147	141	128	140	156	89
1927-----	121	140	102	144	139	115	126	154	82
1928-----	136	174	147	139	142	122	137	155	89
1929-----	124	112	155	160	144	144	140	156	90
1930-----	107	169	113	151	126	115	126	151	83
1931-----	74	109	80	106	101	92	91	134	68
1932-----	51	73	50	69	76	61	61	114	54
1932									
June-----	44	82	37	57	62	59	52	110	48
July-----	42	83	41	72	63	65	57	109	53
August-----	43	79	51	69	65	75	59	108	54
September-----	41	68	57	67	67	84	59	107	55
October-----	36	59	51	60	68	102	56	106	52
November-----	34	57	47	57	68	115	54	106	51
December-----	33	59	43	52	69	121	52	105	50
1933									
January-----	34	59	45	51	68	96	51	² 105	² 49
February-----	34	57	44	53	62	57	49	² 104	² 47
March-----	36	60	48	56	59	54	50	² 103	² 48

¹ These index numbers are based on retail prices paid by farmers for commodities used in living and production, reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes. ² Preliminary.

THE TREND OF EXPORT MOVEMENT

Compiled from the Department of Commerce reports by the foreign agricultural service division of this bureau.

Year and month	Wheat, ¹ including flour	Tobacco (leaf)	Bacon, ² hams, and shoulders	Lard ³	Apples (fresh)	Cotton, ⁴ running bales
Total—	1,000 bushels	1,000 pounds	1,000 pounds	1,000 pounds	1,000 bushels	1,000 bales
1920--	311, 601	467, 662	821, 922	612, 250	5, 393	6, 111
1921--	359, 021	515, 353	647, 680	868, 942	5, 809	6, 385
1922--	235, 307	430, 908	631, 452	766, 950	4, 945	6, 015
1923--	175, 190	474, 500	828, 890	1, 035, 382	8, 876	5, 224
1924--	241, 454	546, 555	637, 980	944, 095	10, 261	6, 653
1925--	138, 784	468, 471	467, 459	688, 829	10, 043	8, 362
1926--	193, 971	478, 773	351, 591	698, 961	16, 170	8, 916
1927--	228, 576	506, 252	237, 720	681, 303	15, 534	9, 199
1928--	151, 976	575, 408	248, 278	759, 722	13, 635	8, 546
1929--	154, 348	555, 347	275, 118	829, 328	16, 856	7, 418
1930--	149, 154	560, 958	216, 953	642, 486	15, 850	6, 474
1931--	125, 686	503, 531	123, 246	568, 708	17, 785	6, 849
1932--	82, 118	387, 768	84, 175	546, 184	16, 920	8, 916
Febru-						
ary—						
1920--	10, 832	39, 764	100, 109	36, 645	267	634
1921--	23, 279	41, 735	47, 485	91, 841	1, 144	484
1922--	11, 231	25, 846	56, 003	75, 520	602	326
1923--	12, 473	24, 380	64, 488	89, 055	662	355
1924--	10, 326	38, 414	81, 108	99, 910	1, 462	470
1925--	11, 784	23, 806	48, 041	60, 363	549	792
1926--	4, 742	47, 147	37, 187	65, 356	1, 048	545
1927--	8, 997	46, 840	19, 476	49, 884	2, 410	979
1928--	6, 725	41, 355	22, 175	79, 872	663	614
1929--	8, 948	48, 388	19, 485	65, 924	2, 732	613
1930--	9, 535	56, 126	22, 547	65, 953	948	402
1931--	3, 717	44, 683	10, 506	68, 760	2, 137	433
1932--	7, 995	29, 630	5, 328	66, 674	2, 668	968
1932						
August--	5, 851	22, 149	5, 303	34, 973	413	452
September	4, 226	41, 307	6, 255	44, 789	1, 084	734
October--	4, 422	57, 112	6, 567	53, 573	2, 788	1, 008
November	5, 985	44, 531	7, 714	35, 897	2, 916	1, 012
December--	3, 549	28, 910	6, 347	49, 900	1, 144	1, 040
1933						
January--	3, 313	26, 915	6, 666	38, 137	1, 766	794
February--	2, 176	23, 579	4, 989	57, 773	1, 422	557

¹ Wheat flour is converted on a basis of 4.7 bushels of grain equal 1 barrel of flour.

² Includes Cumberland and Wiltshire sides.

³ Excludes neutral lard.

⁴ Excludes linters.